
OLR Bill Analysis

sSB 1096

AN ACT CONCERNING GOVERNANCE OF THE STATE EDUCATION RESOURCE CENTER.

SUMMARY:

This bill establishes the State Education Resource Center as a quasi-public agency created to act on behalf of the state of Connecticut. Current law requires the State Board of Education (SBE) to create the center to assist the SBE in, among other things, programs and activities to promote educational equity and excellence.

Currently, the center is not a separate governing entity. It is established by SBE with the Rensselaer Hartford Graduate Center under contract serving as the center's fiduciary. The bill transfers to the new center almost all current duties of the existing center of the same name. The bill does not indicate how the transition will occur from the current administrative structure to the new structure with a board of directors (see BACKGROUND).

Under the bill, (1) the powers of the center are vested in its 13-member board of directors and (2) the center is subject to existing laws governing state quasi-public agencies.

The bill permits the education commissioner to allocate funds to the new center to provide a range of services to local and regional boards of education, the State Department of Education (SDE), charter schools, state technical high schools, school readiness providers, and other education providers.

It deletes a requirement that the center promote and encourage professional development for school paraprofessionals who have instructional duties.

EFFECTIVE DATE: Upon passage

§§ 1 & 2 — STATE EDUCATION RESOURCE CENTER AS A QUASI-PUBLIC AGENCY

The bill creates the State Education Resource Center (the center) as a quasi-public agency with the same rights, duties, and obligations as other quasi-public agencies.

It establishes the center as (1) a body politic and corporate, constituting a public instrumentality and political subdivision of the state and (2) a public educational authority acting for the state. It specifies the center is not a state department, institution, or agency. The bill transfers to the center almost all current duties of the existing entity with the same name.

§ 1 — BOARD OF DIRECTORS

The bill establishes a 13-member board of directors, which is vested with the center's powers. The education commissioner, or his designee, is a board member. The remaining members, their appointing authorities, and terms are shown below in Table 1.

Table 1: State Education Resource Center Appointed Members

<i>Appointing Authority</i>	<i>Number of Appointments</i>	<i>Terms</i>
Governor	4, with the consent of both houses of the General Assembly	Governor's term of office or until a successor is appointed, whichever is longer
SBE	2	Not stated
Senate president	1	Term of office of appointing authority or until a successor is appointed, whichever is longer
Senate majority leader	1	Same as above
Senate minority leader	1	Same as above
House speaker	1	Same as above
House majority leader	1	Same as above
House minority leader	1	Same as above

The governor or appropriate legislative appointing authority can fill

any vacancy for his or her appointee's unexpired term. Initial appointment must be made no later than six months after the bill is enacted into law.

The governor appoints the board's chairperson from among the members with the advice and consent of both houses of the General Assembly. The chairperson serves at the pleasure of the governor.

Quorum, Expenses, and Conflicts of Interest

Four board members constitute a quorum and a majority of the quorum may transact business or exercise any of the center's powers, except two-thirds of the board must vote to adopt proposed procedures.

Board members do not receive compensation, but are reimbursed for actual and necessary expenses incurred while performing their official duties.

A board member's employment or business relationships are subject to the applicable laws, rules, and regulations on ethics and conflicts of interest. It will not constitute a conflict of interest for a trustee, director, partner, or officer of any firm or corporation, or any individual having a financial interest in a firm or corporation, to serve as a board member, as long as the individual complies with all applicable provisions of the State Code of Ethics.

Executive Director

The chairperson, with board approval, appoints the center's executive director, who is an employee of the center and paid a salary the board determines. The executive director supervises the center's administrative affairs and technical activities in accordance with the board's directives.

§ 2 — CENTER PURPOSES

The bill requires the new center to have the same overall purpose as the center under existing law: to help the SBE provide programs and activities that promote educational equity and excellence. The activities can include training and professional development seminars,

publication of technical materials, research and evaluation, and other related activities. The center can support programs and activities concerning (1) early childhood education, (2) improving school and district academic performance, (3) closing the academic achievement gap between socio-economic subgroups, and (4) other related programs and activities.

For these purposes, the bill empowers the center to:

1. have perpetual succession as a body politic and corporate and to adopt bylaws for the conduct of its business;
2. adopt an official seal;
3. maintain an office at a place or places it designates;
4. sue and be sued in its own name;
5. receive and accept anything of value to carry out the purposes of the bill, subject to any conditions imposed by the contributor;
6. borrow money for working capital;
7. make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under the bill, including contracts and agreements for professional services, such as financial consultants, underwriters and technical specialists;
8. acquire, lease, purchase, own, manage, hold, and dispose of personal property, and enter into agreements with respect to the property on any terms necessary or incidental to carrying out the bill's purposes;
9. invest in, acquire, lease, purchase, own, manage, hold, and dispose of real property and lease, convey, or enter into agreements with respect to the property on terms necessary or incidental to carrying out the bill's purposes, provided the transactions are not subject to approval, review, or regulation by

any agency under state laws covering property acquisition, management, or disposal (the disposal provision conflicts with a later provision in this same section; see below);

10. procure liability or loss insurance for its property and other assets, and to procure insurance for employees;
11. account for and audit funds belonging to the center or any recipients of center funds;
12. hold patents, copyrights, trademarks, marketing rights, licenses, or any other evidence of protection or exclusivity as to any products as defined in the bill, issued under state, U.S., or foreign laws;
13. establish advisory committees to assist in accomplishing the stated duties, which may include board members and persons other than members; and
14. carry out any other activity necessary for the bill's purposes.

Center Employees

The bill authorizes the center to employ such assistants, agents, and other employees as necessary. It specifies that these are not state employees under state collective bargaining law. The current center has approximately 97 employees and consultants under contract. They are not considered state employees and, for example, are not in the state employee retirement system (see BACKGROUND).

The center may establish necessary personnel practices and policies, including those related to hiring, promotion, compensation, retirement, and collective bargaining. The center is not an employer under state employee collective bargaining law. It may also contract with consultants, attorneys, and appraisers as necessary to carry out the purposes of the bill.

School Reform Resource Center

Under current law, the center must establish a Connecticut School

Reform Resource Center either within the State Education Resource Center by contract through a regional educational service center. The bill transfers this responsibility, without change, to the new center. The school reform resource center serves all public schools in the state and must perform a variety of duties related to improving student achievement, including professional development for teachers and administrators and developing culturally relevant methods for teaching students whose primary language is not English.

Purchasing, Procurement, and Personal Service Agreements

The bill requires the center to be subject to rules, regulations, and restrictions on purchasing, procurement, personal service agreements, or asset control generally applicable to state agencies. These include the laws, and the corresponding regulations, addressing the requirements for:

1. purchase orders necessary before incurring a cost (CGS § 4-98);
2. personal service agreements conditions and limitations (CGS § 4-212 through 219); and
3. competitive bidding or competitive negotiations for contracts for supplies, materials, equipment, and contractual services (CGS § 4a-57).

These rules, regulations, and restrictions apply to the disposal of real property. This conflicts with an earlier power provided to the new center (item nine on the list of powers listed above (see COMMENT)).

§ 3 — ADOPTING BUSINESS PROCEDURES

The bill requires the center's board to follow the adoption and notification process provided in state law for quasi-public agencies adopting written procedures. This includes 30-days notice of a proposed procedure published in the *Connecticut Law Journal*. This notice must include information on when, where, and how interested parties can provide their views on the proposal. The quasi-public agency can only adopt a procedure by two-third vote of the full membership of the board.

The bill specifies that procedures for the following be addressed this way:

1. adopting an annual budget and plan of operations, including a requirement of board approval before the budget or plan takes effect;
2. hiring, dismissing, promoting, and compensating center employees, including an affirmative action policy, and a requirement of board approval before a position may be created or a vacancy filled;
3. acquiring real and personal property and personal services, including a requirement that the board approve any nonbudgeted spending in excess of a limit that the board sets; and
4. contracting for financial, legal, consulting, and other professional services, including a requirement that the center solicit proposals at least once every three years for each service it uses.

§ 4 — SUBMITTING YEARLY BUDGETS

For fiscal year 2014, and each fiscal year thereafter, the center must submit a yearly budget, projected revenue statement, and financial audit to the SBE and Education Committee. The bill does not state when the budget must be submitted and whether it is submitted before the start of the fiscal year.

§§ 5-8 — NEW CENTER PLACED UNDER EXISTING QUASI-PUBLIC LAW

The bill places the new center under a number of existing laws that apply to Connecticut's quasi-public agencies.

These include:

1. subjecting board members to the Code of Ethics for Public Officials;
2. subjecting the center to biennial audits by the auditors of public

accounts;

3. exempting board members, officers, and employees from personal liability when performing their duties, provided the conduct was not wanton, reckless, willful, or malicious;
4. requiring annual reports to the governor, auditors of public accounts, and the Program Review and Investigations Committee;
5. requiring the treasurer's approval for state-backed bonds or notes; and
6. additional conforming changes.

§ 9 — ALLIANCE DISTRICTS

The bill updates a reference to the center's authority to provide grants to school districts in need of improvement by substituting Alliance Districts, which under 2012's Education Reform Act are the 30 lowest performing districts in the state.

§ 10 — EDUCATION COMMISSIONER MAY ALLOCATE FUNDS TO NEW CENTER

The bill permits the education commissioner to allocate funds to allow the center, as reconstituted under the bill, to provide the following services it is authorized to provide under current law: (1) professional development services, (2) technical assistance and evaluation activities, (3) policy analysis and other forms of assistance to local and regional boards of education, SDE, charter schools, the technical high school system, providers of school readiness programs, and other educational entities and providers. The bill requires the center to spend the funds in accordance with procedures and conditions the commissioner prescribes.

§ 12 — PARAPROFESSIONALS

The bill deletes the requirement that the center promote and encourage professional development for school paraprofessionals who have instructional duties. It leaves this responsibility with SDE.

§§ 11, 13-17 — CONFORMING CHANGES

The bill makes several conforming and technical changes to various education laws.

COMMENT

Conflicting Provisions

The bill contains conflicting provisions in Section 2 regarding the disposal of property. One provision exempts such transactions from existing state law, while another places such transactions under state law regulating acquisition, management, or disposal of property.

BACKGROUND

Current Fiduciary for State Education Resource Center

Currently SDE has a contract with Rensselaer Hartford Graduate Center, a private institution of higher education, to act as the fiduciary for the center. Under the contract, Rensselaer must implement appropriate fiscal controls and accounting in order to properly disburse the center's funds. The center has approximately 97 employees and consultants under contract, and Rensselaer handles the payroll and benefits for these employees. The contract with Rensselaer, which has been providing this service to SDE for more than 20 years, expires on June 30, 2013.

Related Bill

HB 5900, favorably referred by the Government Administration and Elections Committee, places the State Education Resource Center as it is currently constituted under state contracting law and existing rules for public agencies.

COMMITTEE ACTION

Education Committee

Joint Favorable Substitute

Yea 25 Nay 0 (03/28/2013)